

## **EXHIBIT M**

**Tarlo Lyons Solicitors**

Watchmaker Court  
33 St John's Lane  
London EC1M 4DB

Telephone: 0171-405 2000  
Fax: 0171-814 9423  
DX 53323 Clerkenwell

Geoffrey - 10/12/2004

Gordon G. Rouse	Peter Wilson
Michael Rose	Michael A. Brandner
Eva E. Schwartz	Stanley Munson
Maurice Mayer	Richard J. Givens
Philip Diamond	Charles J. Jernigan
Robert L. Rose	Tim Southern
Ngai A. McEwen	John M. Mould
Lawrence Phillips	Douglas J. Smith
Nicholas J. Arnold	Robert A. Carole
Kevin Barrow	Warren D. Foor

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Please notify us immediately if you have received this transmission in error, following which you should return the transmission to us by post at the above address. We will be pleased to reimburse your reasonable costs of so doing.

**FAX TRANSMISSION**

To:	Marty Fink COMPLETE FILM COMPANY	Fax number:	001 310 315 4768
To:	Richard Mann PROSPERITY PICTURES	Fax number:	001 213 860 7043
To:	Leslie Richards PROSPERITY PICTURES	Fax number:	001 213 860 9758
To:	David Forrest FLASHPOINT LIMITED	Fax number:	0171 930 9316
To:	Beau Rogers FLASHPOINT LIMITED	Fax number:	001 610 642 1917
Ref:		Date:	18 September, 1998
From:	Stanley Munson	Total number of pages:	6
Ref:	SHM/mak	(including this page)	

**Subject: Prosperity Pictures - Memorandum of Agreement**

Dear All

I am enclosing a draft Memorandum of Agreement upon which I would like your comments.

Both Leslie and Marty have given me some preliminary comments which I believe I have embodied in this draft. Please note that whilst I would like to have the document signed as quickly as possible, before we all forget what our current intentions are, it is not intended to be "written in stone". Insofar as Messrs Lord

CF-05550

LEX-01 013791

Prosperity Pictures/2

Fax

Bissell & Brook advise us to proceed in a certain way, their comments and advice need to be accommodated in the structure.

I look forward to hearing from you.

  
for STANLEY MUNSON

CF-05260

LEX-01 013792

**EXHIBIT N**

SENT BY AEROX TELECODIER 1060 100-11-3

Geoffrey L. 10/11/83  
 Dean G. Randa - Kevin Barnes  
 D. Michael Ross - Peter Hester  
 Eric E. Scherer - Thomas A. Brumby  
 Maurice Van - Stanley Munson  
 Philip D. Smith - Richard J. G. Smith  
 Robert L. Smith - Charles Jennings  
 Robert A. McLean - John W. Smith  
 Lawrence Briggs - David M. J. Smith  
 Thomas L. Smith - William T. Smith

106/066/02142

**Tarlo Lyons Solicitors**

Serge Rodnunsky Esq  
 Rojak Films  
 8500 Hatillo Avenue  
 Winnetka CA 91308  
 USA  
**BY FAX: 00-1 818 701 8412**

Watchmaker Court  
 33 St John's Lane  
 London EC1M 4DB  
 Telephone: 0171-405 2000  
 0171-814 5400  
 Fax: 0171-814 9421  
 DX: 53323 Clerkenwell

Date: November 26, 1997

Our Ref: SHM/sed/313587

Your Ref:

Dear Mr Rodnunsky

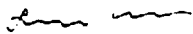
**Flashpoint**

Thank you very much for your fax of 25 November.

Can I suggest that Pierre, you and I meet at, say, 11.00 am on Monday morning in order to finalize matters and then have lunch afterwards. I shall be staying at the Beverly Plaza Hotel (Phone: 310 275-5575) from Sunday evening.

Kind regards.

Yours sincerely


**STANLEY MUNSON**

cc: David Forrest  
 Beau Rogers

LEX-01 131588

**EXHIBIT O**

19/08/98 11:42

**Tarlo Lyons Solicitors**

Watchmaker Court  
33 St. John's Lane  
London EC1M 4DB

Telephone: 0171-405 2000  
Fax: 0171-814 9423  
DX: 53323 Clerkenwell

Geoffrey L. Isaacs

Derek G. Randall  
D. Michael Rose  
Ezra E. Schwarz  
Maurice Martin  
Philip Diamond  
Robert L. Hall  
Nigel A. McEwen  
Lawrence Phillips  
Nicholas J. Arnold  
Kevin Barrow

Peter Wilson  
Michael A. Brandman  
Stanley Munson  
Richard J. Gulbridge  
Charles Jennings  
Tim Southern  
John Mahmood  
Douglas J. Smith  
Robert A. Carolina  
Warren D. Foot

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**FAX TRANSMISSION**

To: Mr Beau Rogers  
FLASHPOINT LIMITED

Fax number: 001 207 963 5551

c.c.: Mr David Forrest

Date: 19 August, 1998

Ref:

Total number of pages: 1  
(including this page)

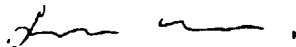
From: Stanley Munson

Ref: SHM/mak/314901

Subject: "Kiss Toledo Goodbye" / Composer

With reference to Paul Maslak's fax to you of 17<sup>th</sup> August, can I offer some input. It is often the case that producers who go over budget deal with music considerations at the eleventh hour and possibly end up doing a bad deal. In order to minimise costs they contract with a composer and do not pay a proper arms-length fee such that the production company ends up owning the copyright in the music. The result of this is that there is no income generated from the exploitation of the music which benefits the producer/financier. This appears to be the case here.

Kind regards.



**EXHIBIT P**



→ Ms Susan Wright

21/01/99 12:46

**Tarlo Lyons Solicitors**

Watchmaker Court  
 33 St. John's Lane  
 London EC1M 4DB  
 DX: 53323 Clerkenwell

Tel: +44 (0)171 405-2000  
 E-mail: info@tarlo-lyons.com  
 Web: www.tarlo-lyons.com  
 Fax: +44 (0)171 814-9421

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106/007/00386

To: Mr Beau Rogers  
 c/- Kensington House Hotel

Your ref:

Fax no: 0171 581 1874

cc: David Forrest  
 0171 930 9313

From: Stanley Munson

Our ref: SM/FM  
 (24x10000.000)

Date: 6 November 1998

No pages: 4

Dear Beau

Flashpoint/Music Rights

I refer to our discussion last night concerning Music Rights and I said that I would write to you concerning my recent lunch with Aida Gurwicz. The principle points that she made are as follows:

- Cherry Lane Music represent a number of famous companies including, Dreamworks, Kushner Locke, Showtime etc. and therefore have a well established structure of collection of music royalties around the world. I did not make notes when I met her over lunch and I think it would be a good idea if you asked her for a list of the companies that she represents. We had a discussion about the fact that many companies and individuals operating in the film industry do not understand music publishing and were therefore happy to leave the administration of the collection of royalties to a specialist company like Cherry Lane Music. I told her that this was not necessarily the case with Flashpoint, because I personally have experience in the music industry and I do know how it works. Having said that, however, Flashpoint did require some assistance in focussing on music rights and the collection of royalties.
- One of the benefits of contracting with Cherry Lane Music is that she says she has music publishing contracts with a number of famous and established composers. This is of benefit because if she knows that she has an administration deal with a company like Flashpoint, she can use her influence to procure that those composers compose film music for Flashpoint at a much reduced fee. The composer would be persuaded to do this because he or she would know that Cherry Lane Music would "work" the publishing throughout territories of the world in order to earn royalties for the composer, Flashpoint and Cherry Lane Music.

Geoffrey Leases - Derek Randal - D. Michael Rose - Ezra Schwarz - Maurice Martin - Philip Diamond - Robert Hale  
 Nigel McEwen - Lawrence Phillips - Nick Arnold - Kevin Barton - Peter Wilson - Michael Brandman - Stanley Munson  
 Richard O'Malley - Tim Sullivan - John Montford - Stephen Smith - David Sullivan - Peter Sullivan - Warren Fox

Authorised and regulated by the Law Society in the conduct of investment business.

LEX-01 094122

21/01/99 12:46

Mario Lyons Solicitors

Flashpoint/Music Rights / 2

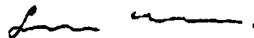
106/007/00387

As I have said above, there are existing arrangements around the world for the collection of music royalties. In some cases, Cherry Lane Music has subsidiaries in various territories and those subsidiaries are members of local collection societies such as PRS in England, SACEM in France etc. In other cases, there are contractual arrangements with sub-publishers in territories, such that those sub-publishers are tasked on collecting the relevant royalties due in respect of particular films.

- Cherry Lane Music are not cheap. They would propose, I believe, an arrangement whereby they deduct 10% of income received by Cherry Lane Music as an administration fee, and then pay out of the balance, 50% to the composer (this is standard) and divide the resultant amount equally between Flashpoint and Cherry Lane Music. I would advise that Flashpoint would incorporate its own music publishing company called say, "Flashpoint Music Limited/Inc" and that company would own the copyrights in the various scores and other music acquired for particular films. I had some discussion with her about "salami slicing" and wanted to be assured that the division of royalties would apply to royalties arising "at source" in foreign territories. By "salami slicing", I mean that we want to assurance that Cherry Lane Music does not sub-publish to say, Cherry Lane Music in Japan, such that the Japanese company keeps back 50% of income arising in Japan and then Flashpoint only enjoys its share described above on the resultant income arising in the USA or the UK. I have seen this happen with other music publishing companies. She assured me that this would not happen here and that the division would operate on the "at source" income arising in the particular territory.
- We talked about whether or not Cherry Lane Music would "work" the catalogue. My general criticism of music publishing companies, which I discussed with her, is that you can argue that music publishers do nothing at all pro-active. They merely collect royalties on music that is already published i.e. broadcast when the film is shown on television or exhibited in cinemas. Music publishers are different from book publishers in as much as book publishers need to be very pro-active to ensure that published books are distributed and sold to members of the public. This is not the case with music publishing. She accepts this general criticism, but she says that she works hard to exploit the music in a pro-active way, including by obtaining "cover versions" of songs which are in the catalogue that she is administering. You might want to explore this with her, because as I dictate fax to you, I am not altogether clear how actively she does "work" the catalogue.
- By contrast, there is MeesPierson. I have had a couple of meetings with MeesPierson and they are just setting up a collection company for music and secondary rights. They would be much cheaper, although I do not know what they are proposing, but they are new and would not have the same sort of structures and administration in place as Cherry Lane Music. I am enclosing a document which they have submitted to me after our meetings.
- I will write to Aida Gurwicz asking her to put in writing what she is proposing for Flashpoint, but can I suggest that you contact her, have a meeting with her and explore the question of how she can add value to the Flashpoint films.

Best regards.

Yours sincerely



Stanley Munson

LEX-01 094123

## **EXHIBIT Q**

# Flashpoint Ltd

106/066/02183

To: Stanley Munson  
Tarlo Lyons  
Fax: 011-44171-814-9421  
From: Beau Rogers  
Fax: (610) 642-1917  
Date: May 27, 1997

Dear Stanley,

Thanks very much for your letter on "The Flight of the Raven". I just had a talk with Marty Fink and he said that he had received a letter from you on "7.23". This caught me off guard as I did not realize that you had done this. Would you please, as a matter of course in the future, copy me on all correspondence that deals with Flashpoint, where you copy David, so that I can be as up to date as possible on all of our deals.

Best regards,



cc: David Forrest

LEX-01 131629

**EXHIBIT R**

106/024/00831

**Tarlo Lyons Solicitors**

Watchmaker Court  
33 St. John's Lane  
London EC1M 4DB

Telephone: 0171-405 2000  
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Tim Southern  
John Mawhood  
Douglas J. Smith  
Robert A. Carolina  
Warren D. Foot

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**FAX TRANSMISSION**

To: D. Coupe Esq / N. Ainsworth Esq,  
INCE & CO. Fax number: 0171 623 3225

c.c. Steve Mitchell Esq  
LEXINGTON INSURANCE CO. Fax number: 0171 480 6266

c.c. Mark Drummond-Brady Esq / Doug Fenton Esq  
LLOYD THOMPSON Fax number: 0171 247 4488

c.c. David Forrest Esq  
c/o LONGEVILLE MANOR Fax number: 01534 31613

c.c. Beau Rogers Esq Fax number: 001 610 642 1917

Ref: DC/224 Date: 2 July, 1998

From: Stanley Munson Total number of pages: 9

Ref: SHM/mak/315985 (Including this page)

**Subject: JULES VERNE - LETTER OF UNDERTAKING**

I am returning the draft Letters of Undertaking with my amendments. Are these documents now agreed?

Kind regards,

STANLEY MUNSON

LEX-01 154206

106/024/00832

**LETTER OF UNDERTAKING**

[Date]

From: [Mr. David Forrest]

To: Lexington Insurance Company

Dear Sirs,

**The Jules Verne Project – Pecuniary Loss Indemnity Policy**

I warrant that I am the beneficial and legal owner of [ 43.75% ] issued share capital of each of Flashpoint Limited, whose registered office is at 2<sup>nd</sup> Floor, Elizabeth House, 11 Castle Street, St. Helier, Jersey, JE2 3RT ("Flashpoint Jersey") and Flashpoint (UK) Limited (Company No. 3525088), whose registered office is at Watchmaker Court, 33 St. John's Lane, London, EC1M 4DB ("Flashpoint UK").

References to the Flashpoint Companies shall be to each of them individually and to Flashpoint UK and Flashpoint Jersey collectively.

You, Lexington have agreed to provide a Pecuniary Loss Policy (the "Policy") in relation to the Jules Verne Project on the basis, inter alia, of various assurances, covenants and undertakings that have been provided by the Flashpoint Companies to you, Lexington, including, without limitation, those arising under:-

- (a) The Collateral Agreement dated [ ] between you and Flashpoint Jersey;
- (b) The Collateral Agreement dated [ ] between you and Flashpoint UK;  
and
- (c) The Deed of Charge dated [ ] between you and Flashpoint UK;

(collectively "the Risk Management Agreements").

106/024/00833

In consideration of you providing the Policy, and in further consideration of you agreeing to enter into each of the Risk Management Agreements, I, David Forrest, **WARRANT, COVENANT AND UNDERTAKE** as follows:

- (a) I will not sell the whole or any part of my shareholding in either of the Flashpoint Companies, or otherwise allow the subscription for, acquisition, redemption or disposal of any share or other security or loan capital in the Flashpoint Companies or any beneficial interest therein, without the prior consent of Lexington such consent not to be unreasonably withheld;
- (b) I will not, without the prior written consent of Lexington, such consent not to be unreasonably withheld:-
- (i) allow the disposal of the whole or any part of the business or amalgamation or merger any part of the businesses, of either of the Flashpoint Companies;
  - (ii) allow any material change in the nature of the business carried on by either of the Flashpoint Companies;
  - (iii) make any arrangement whereby the whole or any part of the business of the Flashpoint Companies shall be controlled otherwise than by me; <sup>and Ben Rogers</sup>
  - (iv) issue or grant any option over any share or loan capital of either of the Flashpoint Companies;
  - ~~(v) allow the declaration of any charge (whether fixed or floating), mortgage, lien or other encumbrance over the whole or any part of the Flashpoint Companies' property; or~~
  - ~~(vi) allow either of the Flashpoint Companies to enter into any partnership, joint venture or other profit sharing arrangements otherwise than in the ordinary course of trading and on a bona fide arm's length basis;~~
- (c) I will devote substantially the whole of my time and attention to the affairs and development and the promotion of the business of the Flashpoint Companies;

LEX-01 154208



106/024/00834

(d) I will not, without the consent of Lexington, ~~engage actively in any other business activity~~ or be interested directly or indirectly in any business competing with that of either of the Flashpoint Companies; X

(e) I will procure that the businesses of the Flashpoint Companies are conducted in a proper and efficient manner and in accordance with all statutory and regulatory requirements;

(f) ~~I will procure that each of the Flashpoint Companies will punctually and properly perform and will not do or permit any act or thing which constitutes a breach of the Risk Management Agreements, which may lead to a claim under the policy or which could in any manner adversely affect the ability or power of either Flashpoint Companies to carry out effectively and promptly its respective contracts and obligations in relation to the Jules Verne Project.~~

(g) I will procure that the Flashpoint Companies will not do or permit any act which may render any insurances or bonds (including completion bonds) taken out by either of the Flashpoint Companies to be void or voidable.

The obligations in this letter are to be continuing obligations and shall remain in force until all the obligations and liabilities of the Flashpoint Companies to Lexington shall have been performed or satisfied notwithstanding the winding-up, liquidation, dissolution or other incapacity of either of the Flashpoint Companies, or the change in the status, control or ownership of either of the Flashpoint Companies. X

*For the date hereon*  
 I also agree to indemnify and hold Lexington harmless against any costs, loss, expense or liability of whatever kind resulting from the failure by either Flashpoint Companies to honour, observe and fulfil in full the terms of the Risk Management Agreements (including, without limitation all reasonable legal costs and expenses incurred by Lexington in connection with preserving or enforcing its rights under the Risk Management Agreement).

My responsibility and liability under this letter shall not be discharged and diminished as a result of any time or indulgence or waiver given to, or composition made with, the Flashpoint Companies, or by any amendment, variation or modification of the Risk Management

LEX-01 154209

106/024/00835

Agreements, or by the non-enforcement of any right, remedies or securities against the Flashpoint Companies.

~~The benefit of this Letter may be assigned by Lexington to its reinsurers of the Policy, but to no other party.~~

In witness whereof this Letter has been entered into as a Deed

This letter shall be governed and construed in accordance with English law, and the parties submit to the non-exclusive jurisdiction of the English Courts.

EXECUTED and DELIVERED as a DEED )  
by DAVID FORREST in the presence of: )

(collectively "the Risk Management Agreements").

106/024/00836

**LETTER OF UNDERTAKING**

[Date]

BEAUCLERC  
From: [Mr. ~~Be~~ Rogers]

To: Lexington Insurance Company

Dear Sirs,

**The Jules Verne Project – Pecuniary Loss Indemnity Policy**

I warrant that I am the beneficial and legal owner of [ 43.75% ] issued share capital of each of Flashpoint Limited, whose registered office is at 2<sup>nd</sup> Floor, Elizabeth House, 11 Castle Street, St. Helier, Jersey, JE2 3RT ("Flashpoint Jersey") and Flashpoint (UK) Limited (Company No. 3525088), whose registered office is at Watchmaker Court, 33 St. John's Lane, London, EC1M 4DB ("Flashpoint UK").

References to the Flashpoint Companies shall be to each of them individually and to Flashpoint UK and Flashpoint Jersey collectively.

You, Lexington have agreed to provide a Pecuniary Loss Policy (the "Policy") in relation to the Jules Verne Project on the basis, inter alia, of various assurances, covenants and undertakings that have been provided by the Flashpoint Companies to you, Lexington, including, without limitation, those arising under:-

- (a) The Collateral Agreement dated [ ] between you and Flashpoint Jersey;
- (b) The Collateral Agreement dated [ ] between you and Flashpoint UK;  
and
- (c) The Deed of Charge dated [ ] between you and Flashpoint UK;

(collectively "the Risk Management Agreements").

LEX-01 154211

106/024/00837

In consideration of you providing the Policy, and in further consideration of you agreeing to enter into each of the Risk Management Agreements, I, Bo Rogers, **WARRANT, COVENANT AND UNDERTAKE** as follows:

- (a) I will not sell the whole or any part of my shareholding in either of the Flashpoint Companies, or otherwise allow the subscription for, acquisition, redemption or disposal of any share or other security or loan capital in the Flashpoint Companies or any beneficial interest therein, without the prior consent of Lexington such consent not to be unreasonably withheld;
- (b) I will not, without the prior written consent of Lexington, such consent not to be unreasonably withheld:-
- (i) allow the disposal of the whole or any part of the business or amalgamation or merger any part of the businesses, of either of the Flashpoint Companies;
  - (ii) allow any material change in the nature of the business carried on by either of the Flashpoint Companies;
  - (iii) make any arrangement whereby the whole or any part of the business of the Flashpoint Companies shall be controlled otherwise than by me, *and David Forrest*
  - (iv) issue or grant any option over any share or loan capital of either of the Flashpoint Companies; or
  - ~~(v) allow the declaration of any charge (whether fixed or floating), mortgage, lien or other encumbrance over the whole or any part of the Flashpoint Companies' property; or~~
  - ~~(v)~~ *(vi)* allow either of the Flashpoint Companies to enter into any partnership, joint venture or other profit sharing arrangements otherwise than in the ordinary course of trading and on a bona fide arm's length basis;
- (c) I will devote substantially the whole of my time and attention to the affairs and development and the promotion of the business of the Flashpoint Companies;

LEX-01 154212

106/024/00838

(d) I will not, without the consent of Lexington, engage actively ~~in any other business~~ <sup>X</sup> activity or be interested directly or indirectly in any business competing with that of either of the Flashpoint Companies;

(e) I will procure that the businesses of the Flashpoint Companies are conducted in a proper and efficient manner and in accordance with all statutory and regulatory requirements;

*ORIGINAL  
AR ) 1 FOR  
COS.*

(f) ~~I will procure that each of the Flashpoint Companies will punctually and properly perform and will not do or permit any act or thing which constitutes a breach of the Risk Management Agreements, which may lead to a claim under the policy or which could in any manner adversely affect the ability or power of either Flashpoint Companies to carry out effectively and promptly its respective contracts and obligations in relation to the Jules Verne Project,~~

(g) ~~I will procure that the Flashpoint Companies will not do or permit any act which may render any insurances or bonds (including completion bonds) taken out by either of the Flashpoint Companies to be void or voidable.~~

*from the date hereof  
(the date when )*

The obligations in this letter are to be continuing obligations and shall remain in force until <sup>(X)</sup> all the obligations and liabilities of the Flashpoint Companies to Lexington shall have been performed or satisfied notwithstanding the winding-up, liquidation, dissolution or other incapacity of either of the Flashpoint Companies, or the change in the status, control or ownership of either of the Flashpoint Companies.

~~I also agree to indemnify and hold Lexington harmless against any costs, loss, expense or liability of whatever kind resulting from the failure by either Flashpoint Companies to honour, observe and fulfil in full the terms of the Risk Management Agreements (including, without limitation all reasonable legal costs and expenses incurred by Lexington in connection with preserving or enforcing its rights under the Risk Management Agreement).~~

My responsibility and liability under this letter shall not be discharged and diminished as a result of any time or indulgence or waiver given to, or composition made with, the Flashpoint Companies, or by any amendment, variation or modification of the Risk Management

LEX-01 154213

106/024/00839

Agreements, or by the non-enforcement of any right, remedies or securities against the Flashpoint Companies.

~~The benefit of this Letter may be assigned by Lexington to its reinsurers of the Policy, but to no other party.~~

In witness whereof this Letter has been entered into as a Deed

This letter shall be governed and construed in accordance with English law, and the parties submit to the non-exclusive jurisdiction of the English Courts.

EXECUTED and DELIVERED as a DEED )  
by ~~BO~~ ROGERS in the presence of: )  
BEAUCLERC

106/014/00962

tarlo lyons

Solicitors  
Watchmaker Court  
33 St. John's Lane  
London EC1M 4DBFax +44 (0)20 7814 8421  
Phone +44 (0)20 7405 2000DX 53323 Clerkenwell  
www.tarlolyons.com

Fax

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To	Beau Rogers	Fax number	00 1 610 642 1917	Your ref	
Copied to	Susan Wright		020 7930 9316		
From	Stanley Munson	Our ref		SHM/319531	
Date	13 February 2001	Total no. of pages (including this page)	4		

Dear Beau

**Re: Flashpoint (UK) Limited**

Thank you for your fax of February 5<sup>th</sup>. I am enclosing the Board Minutes which I believe reflects what was discussed at the meeting.

Kind regards

Yours sincerely



Stanley Munson

Enc.

Maurice Martin  
Senior Partner  
  
Vice Armed  
Kevin Barnes  
Michael Brandman  
Robert Carlisle

Sarah Collins  
Tim Coulton  
Philip Diamond  
Warren Foot  
Richard Gutteridge  
John Manswood  
Nigel McEwen

Simon Madden  
Peter Meedy  
Stanley Munson  
Patrick Penning  
Lawrence Phillips  
D. Michael Reed  
Manuel Sinder

Douglas Smith  
Tim Baunton  
Simon Stokes  
Jeremy Taylor  
Peter Wilson

Consultants  
Geoffrey Isaacs  
Charles Jennings  
David Rowland  
Ears Schwartz

Authorized and  
Regulated by  
The Law Society  
in the conduct  
of investment  
business



1946121

LEX-01 102715

Geoffrey L. Isaacs

**Tarlo Lyons Solicitors**

Watchmaker Court  
33 St. John's Lane  
London EC1M 4DB

Telephone: 071-405 2000

Fax: 071-814 9421 (Groups 2 and 3)  
DX: 53323 Clerkenwell

Derek G. Randall	Kevin Barrow	Finance Director
D. Michael Rose	Michael A. Brandman	Leigh G. Bartley ACA
Ezra E. Schwarz	Stanley Munson	
Maurice Martin	Richard J. Outbridge	
Philip Diamond	Charles Jennings	
Robert L. Halls	John Markwood	
Nigel A. McEwen	Douglas J. Smith	
Lawrence Phillips	Peter Wilson	
Nicholas J. Ammir	Werner N. Funt	

106/056/00650

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Please notify us immediately if you have received this transmission in error, following which you should return the transmission to us by post at the above address. We will be pleased to reimburse your reasonable costs of so doing.

**FAX TRANSMISSION**

To: David Forrest

Fax number: 01778-562992

To: Beau Rogers

Fax number: 001 610 642 1917

Ref:

Date: 6 November, 1997

From: Stanley Munson

Total number of pages: 5

Ref: SM/jap/308556

(including this page)

**PLEASE REPLY TO DIRECT FAX NO: 0171-814 9423**

**Subject: "Dishdogs"/Completion Guarantee**

Please see attached.

LEX-01 124179



**Tarlo Lyons Solicitors**

D Forrest Esq  
Fletland Mill  
Nr Baston  
LINCOLNSHIRE PE6 9NS

Watchmaker Court  
23 St. John's Lane  
London EC1M 4DB  
Telephone: 0171 402 2000  
0171 414 5400  
Fax: 0171 814 9423  
DX 53323 Clerkenwell

**Direct Fax No: 0171-814 9423**

November 8, 1997

SM/jap/308558

106/056/00651

Dear David

**Re: "Dishdogs"/Completion Guarantee**

I have now received a redraft of the completion guarantee to be issued by The Completion Bond Company and I have a couple of points that I ought to draw to your attention.

Firstly, MPBC have the right to abandon the film if it is disastrously over budget. This is standard. I raised the point with Marty that if it does abandon the film, it ought to pay to Flashpoint the sums that Flashpoint have advanced up to that date ("the Advance") plus 50% which of course mirrors the obligation for repayment that Flashpoint has with Hollywood Funding Limited.

Marty Fink has said that MPBC has proposed, I think, to concede that they will be obliged to refund the Advance plus 10%.

Furthermore, it follows that if there is no abandonment, but they are required to advance sums pursuant to the guarantee, they will recoup those funds after Flashpoint has recouped the Advance plus 10% (i.e. not 50%). In consideration for this, MPBC is proposing to alter its fee from 2.5%/2% to 2.75/1.75%.

Incidentally, can you please let me have a copy of the signed Sales Agency Agreement as promised, so that I can see what the recoupment priority is, and whether this dovetails into our arrangement with Hollywood Funding Limited.

Secondly, there is still the question of the insolvency of the production company. I have checked other completion guarantees and consulted the text books, and it appears that some completion guarantees exclude liability arising out of the insolvency of the production company and others do not exclude this risk. At the moment MPBC is excluding liability in respect of the insolvency of the production company. If there was a loss to Flashpoint arising out of this risk, the risk would effectively be covered by HIH (if the loss caused a loss for the Collection Account) who have not excluded this liability under the pecuniary loss indemnity policy. I have not discussed the point, as yet, with Greg Bernstein or Steve Fayne at his firm because I did not know to what extent they are familiar with the arrangements with Hollywood Funding Limited, and whether you want them to know. I suppose, at the end of the day, the risk lies either with MPBC or HIH.

LEX-01 124180

Page 2

Tarlo Lyons  
Solicitors

106/056/00652


Just thinking through what would happen, I believe the scenario would be like this. If 7.23 Productions went into liquidation during the production of "Dishdogs" the creditor or creditors of the company would try to seize assets. The only assets would be money in the production bank account, some office and may be film equipment, and film materials. Flashpoint would instruct US attorneys to challenge any such seizure and would argue that any cash in the production account belonged to Flashpoint (as stipulated in the Production and Finance Agreement). The rights in the film materials have already been assigned to Flashpoint and I believe that creditors of 7.23 Productions LLC would have no claim to the film. Flashpoint would need to employ a producer to take up the reins, and that producer would engage all the same actors, crew and other third parties in order to finish the film. There would however be delay and some attorney's fees to pay. MPBC would not cover liabilities arising out of the delay and the legal fees.

I believe that the insolvency of 7.32 Productions LLC is unlikely. You will recall that this is a clean company and we have a Certificate of Goodstanding. It has no "warts or bumps".

Could I have your thoughts.

Kind regards.

Yours sincerely,



**STANLEY MUNSON**

cc Beau Rogers

LEX-01 124181

**Tarlo Lyons Solicitors**

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London EC1M 4DB

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Lawrence Phillips  
Nicholas J. Arnold  
Karin Barrow  
Peter Wilson  
Michael A. Bradman  
Stanley Munson  
Richard J. Gaboriga  
Charles Jennings  
Tim Southern  
John Newwood  
Douglas J. Smith  
Robert A. Caroline  
Warren D. Foot

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Please notify us immediately if you have received this transmission in error, following which you should return the transmission to us by post at the above address. We will be pleased to reimburse your reasonable costs of so doing.

**FAX TRANSMISSION**

To:	D. Coupe Esq INCE & CO.	Fax number:	0171 623 3225
c.c.	Steve Mitchell Esq LEXINGTON INSURANCE CO.	Fax number:	0171 480 6266
c.c.	Mark Drummond-Brady Esq LLOYD THOMPSON	Fax number:	0171 247 4488
c.c.	David Forrest Esq c/o LONGEVILLE MANOR	Fax number:	01534 31613
c.c.	Beau Rogers Esq	Fax number:	001 610 642 1917
Ref:	DC/224	Date:	1 July, 1998
From:	Stanley Munson	Total number of pages:	7
Ref:	SHM/mak/315985	(including this page)	

**Subject: JULES VERNE - LETTER OF UNDERTAKING**

I have taken instructions on your draft Letter of Undertaking. We do not think that your clients should seek to make David Forrest and/or Beau Rogers personally liable under that letter. Businessmen using limited liability companies do not contract personally and in any event your clients have security over the film rights of this project. Messrs Forrest and Rogers are agreeable to saying they will not sell, charge or otherwise dispose of their shares and that they will devote most of their time to the company, etc as they have no service agreements with the companies. But the Letter of Undertaking should be from Flashpoint to Lexington and the individuals will make similar warranties to Flashpoint.

**HF4-6/LEX/377 -  
00029**

**LEX-01 039733**

12

Fax

Could I please hear from you, if possible this evening.

Kind regards,



STANLEY MUNSON

HF4-6/LEX/377 -  
00030

LEX-01 039734

Director	Michael A. Brinkman	Finance Director
Deputy Director	Stanley Munson	Legal G. Berley ACA
Chief of Staff	Richard J. Guttridge	
Chief of Administration	Charles Jennings	
Chief of Operations	John Mawhood	
Chief of Security	Douglas J. Smith	
Chief of Training	Warren D. Ford	

**Tarlo Lyons Solicitors**

Beau Rogers Esq  
Flashpoint Limited  
901 Youngsford Road  
Gladwyne  
Pennsylvania 19035  
U.S.A.

**106/063/01494**

Watchmaker Court  
33 St. John's Lane  
London EC1M 4DB

Telephone: 0171-405 2000  
0171-814 5400

Fax: 0171-814 9421  
DX: 53323 Clerkenwell

**Direct Fax No: 0171-814 9423**

Date **February 17, 1998**

Our Ref: **SM/jap/295297**

Your Ref:

Dear Beau

**Re: Funds in Leopold Joseph**

I am enclosing a copy letter I have written to Chuck Lubar for your file.

There is divergence between the amounts held by Leopold Joseph for you (still in the Flashpoint Limited account) and the amounts held for David (still in the Flashpoint account). I am drawing this to your attention because Chuck Lubar was concerned about this when we had the meeting in his office.

Kind regards.

Yours sincerely,



**STANLEY MUNSON**

enc

cc David Forrest

**LEX-01 128992**

106/066/01189

**Tarlo Lyons** Solicitors

B. Rogers Esq  
Flashpoint Limited  
901 Youngsford Road  
Gladwyne  
Pennsylvania 19035  
U.S.A.  
**BY HAND**

SM/jap/308556

Wardlaw & Co  
33 St John's Lane  
London EC1M 4DB

Telephone: 0171-405 2000  
0171-814 5400

Fax: 0171-814 9421  
DX 53323 Clerkenwell

**Direct Fax No: 0171-814 9423**

Date: September 9, 1997

Dear Beau

**Re: Flashpoint Limited**

Thank you for hand delivering a copy of Brian Fitzpatrick's fax dated 9<sup>th</sup> September to you and a copy of the earlier letter dated 22<sup>nd</sup> August from Brian to David Forrest.

I confirm that I have instructed our bank to make the transfer of US\$ 328,000 to the account of Merban Limited at National Westminster Bank.

Kind regards.

Yours sincerely,



**STANLEY MUNSON**

LEX-01 130596

106/066/01445

**Tarlo Lyons**

Beau Rogers Esq  
Flashpoint Limited  
901 Youngsford Road  
Gladwyne  
Pennsylvania 19035  
U.S.A.

0171-814 5400

Fax: 0171-814 9421  
DX: 53323 Clerkenwell

**Direct Fax No: 0171-814 9423**

Date: **November 5, 1997**

Our Ref: **SM/jap/310664**

Your Ref:

Dear Beau

**Re: "Hyper-Allergenic"**

I am enclosing a breakdown of the monies that this firm received from Lloyd Thompson and which remains in our client account here. You will see that we paid one-third of the original amount to Marty Fink in Los Angeles. Of the balance of £25,817.69 the amounts due are as follows:

	£
David Forrest	11,411.43
Beau Rogers	11,519.33
Filmwatch	1,484.52
Graham Johnson	<u>1,402.41</u>
Total	<u>25,817.69</u>

I am sending cheques to Filmwatch and Graham Johnson. Can you and David please let me know what your instructions are.

Kind regards.

Yours sincerely,

**STANLEY MUNSON**

cc David Forrest Esq  
Graham Johnson Esq

**LEX-01 130884**

Geoffrey L. Ladd

**Tarlo Lyons Solicitors**

Watchmaker Court  
33 St John's Lane  
London EC1M 4DB

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Fax: 0171-814 8421

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Philip Diamond  
Robert L. Hall  
Nigel A. McEwen  
Lawrence Phillips  
Nicholas J. Arnold

Kevin Barrow  
Peter C. Wilson  
Michael A. Brandman  
Charles Jennings  
Stanley Munson  
Richard J. Gutteridge  
John Meadowood  
Douglas J. Smith  
Warren D. Foot

Finance Director  
Lynn G. Berkeley

106/066/02140

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Please notify us immediately if you have received this transmission in error, following which you should return the transmission to us by post at the above address. We will be pleased to reimburse your reasonable costs of so doing.

**FAX TRANSMISSION**

To: Beau Rogers

Fax number: 00 1 810 842 1917

Ref:

Date: 26 November 1997

From: Stanley Munson

Total number of pages: 6

Ref: SHM/aad

(Including this page)

Subject: Flashpoint - various matters

Please find attached copies of five letters relating to various Flashpoint matters sent today.

LEX-01 131586



John G. ...	Kevin ...	Finance Director
D. Michael ...	David ...	Lough G. ...
Ernest ...	Michael A. ...	
Valerie ...	Stanley ...	
Philip ...	Richard J. ...	
Robert ...	Charles ...	
Nigel A. ...	John ...	
Lawrence ...	Douglas ...	
Thomas ...	William D. ...	

106/066/02141

**Tarlo Lyons Solicitors**

Paul Maslak & Neva Friedmann  
Award Entertainment  
1741 North Ivar Avenue, Suite 108  
Hollywood CA 90028  
USA

**BY FAX AND BY POST: 00 1 213 461 3268**

Our Ref: SHM/asd/314901 Your Ref:

Watchmaker Court  
33 St John's Lane  
London EC1M 4DB

Telephone: 0171 405 2000  
0171 814 5400

Fax: 0171 814 9421  
DX 53323 Clerkenwell  
Direct Fax: 0171 814 9423

Date: November 26, 1997

Dear Mr Maslak &amp; Ms Friedmann

Flashpoint Limited/Five Film State

Thank you for your fax of 26 November.

I shall be in Los Angeles on Monday, Tuesday and Wednesday of next week. Are you available for a meeting on, say, Tuesday morning in order to try to finalize and agree any outstanding points on the documentation? I shall be staying at the Beverly Plaza Hotel (Tel: 310 275-5575) and can be reached on that number from Sunday evening.

It would be helpful if I can have your preliminary comments before any meeting.

Yours sincerely

STANLEY MUNSON

cc David Forrest  
Beau Rogers

LEX-01 131587

Geoffrey L. Hanks  
 Derek G. Randa  
 C. Michael Ross  
 Eric E. Scherer  
 Maurice Varr  
 Philip D. Wynn  
 Robert L. Harris  
 Roger A. McLean  
 Lawrence R. Smith  
 Kevin B. Smith  
 Peter W. Smith  
 William A. Starnes  
 Stephen A. Munson  
 Robert J. C. Smith  
 Charles J. Jennings  
 John W. Johnson  
 Douglas J. Smith  
 William D. Smith

106/066/02142

**Tarlo Lyons** Solicitors

Serge Rodnunsky Esq  
 Rojak Films  
 8500 Hatillo Avenue  
 Winnetka CA 91308  
 USA  
 BY FAX: 001 818 701 6412

Watchmaker Court  
 33 St John's Lane  
 London EC1M 4DB

Telephone: 0171-405 2000  
 0171-814 5400

Fax: 0171-814 9421  
 DX: 53323 Clerkenwell

Date November 26, 1997

Our Ref: SHM/sad/313587

Your Ref:

Dear Mr Rodnunsky

**Flashpoint**

Thank you very much for your fax of 25 November.

Can I suggest that Pierre, you and I meet at, say, 11.00 am on Monday morning in order to finalize matters and then have lunch afterwards. I shall be staying at the Beverly Plaza Hotel (Phone: 310 275-6575) from Sunday evening.

Kind regards

Yours sincerely

**STANLEY MUNSON**

cc: David Forrest  
 Beau Rogers

LEX-01 131588

Chairman	Members	Finance Director
James J. Hendon	Norm Benton	Legis. J. Benton AGA
Michael Reed	Robert Weber	
John J. Schmitt	W. Neal A. Sherman	
Walter Martin	James Munger	
Andre Diamond	Richard G. Galtzoff	
Robert L. Hale	Charles G. Galtzoff	
Neil A. Jackson	John W. Galtzoff	
Lawrence H. H. H.	Donald G. Galtzoff	
Walter L. H. H.	Walter G. Galtzoff	

106/066/02143

**Tarlo Lyons Solicitors**

Mark Sorella Esq  
Legal Affairs  
Karukera Productions Inc  
4446 Boulevard St Laurent, #805  
Montreal, Quebec  
Canada

Watchmaker Court  
33 St. Johns Lane  
London EC1M 4DB  
Telephone: 0171-405 2000  
0171-814 5400  
Fax: 0171-814 9421  
DX. 53323 Clerkenwell

Date: November 28, 1997

Our Ref: **SHM/asdr/301664** Your Ref:

Dear Mr Soralla

"Red River"/"La Belle Epoque"

I refer to your letter of 7 November.

I am now enclosing one fully executed copy of the Side Agreement relating to the ten per cent profit participation.

Would you please acknowledge receipt.

Yours sincerely

for —

STANLEY MUNSON

Enc

cc: David Forrest  
Beau Rogers  
Marty Fink

**LEX-01 131589**

Mr. Lyons	Mr. Lyons	Finance Director
Mr. Lyons	Mr. Lyons	Legal Director
Mr. Lyons	Mr. Lyons	Mr. Lyons
Mr. Lyons	Mr. Lyons	Mr. Lyons
Mr. Lyons	Mr. Lyons	Mr. Lyons
Mr. Lyons	Mr. Lyons	Mr. Lyons
Mr. Lyons	Mr. Lyons	Mr. Lyons
Mr. Lyons	Mr. Lyons	Mr. Lyons
Mr. Lyons	Mr. Lyons	Mr. Lyons
Mr. Lyons	Mr. Lyons	Mr. Lyons
Mr. Lyons	Mr. Lyons	Mr. Lyons

106/066/02144

**Tarlo Lyons Solicitors**

Kikuo Kawasaki Esq  
Lured Innocence Productions  
8170 Beverly Boulevard #108  
Los Angeles CA 90048  
USA

Watchmaker Court  
33 St. John's Lane  
London EC1M 4DB

Telephone 0171-405 2000  
0171-814 5400

Fax 0171-814 9421  
DX 53323 Clerkenwell

Date November 26, 1997

Our Ref: SHM/sad

Your Ref:

Dear Mr Kawasaki

**"Lured Innocence"**

I am enclosing for your file one fully executed copy of the Side Agreement between Lured Innocence Productions and Flashpoint Limited relating to the ten per cent profit participation. The other copy has been retained by Flashpoint Limited in Jersey, Channel Islands.

Would you please acknowledge receipt of this document

Yours sincerely


**STANLEY MUNSON**

Enc

cc: David Forrest  
Beau Rogers  
Marty Fink

LEX-01 131590

BY: Xerox Telecopier 7020 30-11-5 2:48

James L. Sabin  
 John F. Hargrave  
 D. Michael Rose  
 Fritz E. Schwartz  
 Wallace Martin  
 Philip Diamond  
 Robert J. ...  
 Nigel A. McEwen  
 Laurence P. ...  
 Nicholas ...  
 Kevin Sabin  
 Peter Wilson  
 Michael A. Brandman  
 Stanley Munson  
 Richard J. Quillgrave  
 Charles Jennings  
 John Manhood  
 Christine ...  
 William D. ...  
 Finance Director  
 Leigh G. Bentley ACA

106/066/02145

**Tarlo Lyons** Solicitors

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 Nr Baston  
 Lincs  
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 0171-814 5400  
 Fax: 0171-814 9421  
 DX 53323 Clerkenwell

Date: November 26, 1997

Our Ref: SHM/asd/LJ

Your Ref:

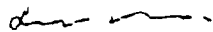
Dear David

Leopold Joseph

I spoke to Paul Thornhill yesterday about the \$8,000,000 which he has now received. He is placing the money on overnight deposit which, at current interest rates, earns 5.25%. We can place a core part of the principal on deposit with a notice period of, say, one week or one month, earning a higher interest rate, but in order to do this we need to analyse how much is needed in Los Angeles and when. I do not have up to date copies of the cash flow schedules so would you let me have them or, alternatively, deal directly with Paul Thornhill on this point.

Kind regards.

Yours sincerely



STANLEY MUNSON

cc: Beau Rogers

LEX-01 131591

**Farlo Lyons Solicitors**

T. B. Rogers Esq  
Flashpoint Limited  
901 Youngsford Road  
Gladwyne  
Pennsylvania 19035  
U.S.A.

Our Ref **SM/jap/295927**

Your Ref

David J. H. Smith	Michael J. H. Smith
D. Michael Smith	Michael A. H. Smith
Eric E. Smith	Stanley Munson
Maurice Mann	Richard J. G. Smith
Philip Diamond	Charles Jennings
Robert L. Hays	John Mawhood
Nigel A. McEwen	Douglas J. Smith
Clarence Smith	Peter Wilson
Nicholas J. Arnold	Warren Fox

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33 St. John's Lane  
London EC1M 4DB

Telephone: 0171-405 2000  
0171-814 5400

Fax: 0171-814 9421  
DX: 53323 Clerkenwell

**Direct Fax No: 0171-814 9422**

Date: **June 5, 1997**

Dear Beau

**RE: FLASHPOINT LIMITED**

I am enclosing a Share Certificate in your favour for 4,375 shares. Please acknowledge receipt.

I am enclosing, in duplicate, a letter of willingness for you to act as director and I should be obliged if you would sign both copies and return them to me undated as soon as possible.

Kind regards.

Yours sincerely,

**STANLEY MUNSON**

enc

SENT BY: Xerox Telecopier 7020 : 10-7-96 : 14:39 :

TARLO LYONS-

6106421917: # 3

106/075/02295

**Tarlo Lyons Solicitors**

Beau Rogers Esq  
Flashpoint Ltd  
901 Youngsford Road  
Gladwyne, PA 19035  
U.S.A

Watchmaker Court  
33 St. John's Lane  
London EC1M 4DB

Telephone: 0171-406 2000  
0171-314 3400

Fax: 0171-814 3421  
DX: 53323 Clerkenwell

Direct Fax No: 0171-814 3422

Date July 12, 1996

Our Ref: SM/jp

Your Ref:

Dear Beau

**RE: INCORPORATION OF JERSEY COMPANY**

I refer to our telephone conversation recently when we discussed the winding up of Flashpoint Limited in Delaware and incorporating a new company in Jersey under the same name. I have now had an opportunity to do some research on the tax implications of running a Delaware corporation as opposed to recommencing business with a new Jersey based company.

According to the information I have in this office, Delaware corporate income tax is imposed on companies in Delaware on the "entire net income" derived from business activities carried on in Delaware of non-exempt corporations. Corporations in Delaware therefore, on the face of it do suffer corporation tax which I understand is levied at the rate of 8.7%. Having said that, I further understand that some companies are exempt from the corporate income tax and those companies include, amongst others, corporations which maintain statutory corporate offices in Delaware but do not do business within Delaware. I cannot see, therefore, why this company which does all its business outside Delaware should suffer the imposition of corporate income tax.

However, I appreciate that the tax laws relating to any jurisdiction are extremely complex (I have volumes here relating to UK tax which are some 8 feet wide) and my research is only a cursory investigation into the position in Delaware.

I am more familiar with Jersey based companies. It is possible for companies incorporated in Jersey which are both controlled and managed in Jersey to avoid income tax on their non-Jersey income and such companies are called "exempt companies". They do however remain liable for a nominal fee payable to the government of £500 per annum.

I am enclosing a list of the fees and in order to proceed I need to send my contact in Jersey a cheque for £1,825.00. I assume that you or David will arrange for that payment to be made out of the next receipt of monies from the various film projects.

Authorised and regulated by the Solicitors Regulation Authority

LEX-01 137025

SENT BY: Xerox Telecopier 7020 : 19- 7-96 : 14:40 :  
Tarlo Lyons  
Solicitors

TARLO LYONS-

6106421917:8 4

Page 2

106/075/02296

In the meantime I have written to my contact asking him to confirm that the name "Flashpoint Limited" is available.

It is difficult to estimate what administration fees will be payable but I would imagine that the annual administration fees charged by my contact will be approximately £2,000 per annum in addition to the fees listed overpage. The level of fees does of course depend upon the activity generated by the company such as the number of different sources of income and the frequency of the payment of expenses in addition to salary and bonuses to the employees/directors.

Fond regards.

Yours sincerely,

**STANLEY MUNSON**

cc David Forrest

LEX-01 137026



SENT BY: Xerox Telecopier 7020 :19- 7-96 : 14:40 :

TARLO LYONS-

6106421917: # 5

**LIKELY CHARGES/JERSEY COMPANY****106/075/02297**

	£
Formation of Jersey Company	875.00
Annual responsibility fees (paid annually in advance)	
Jersey Director	325.00
Swiss Director	225.00
Registered Office	200.00
Company Secretary	75.00
Nominee Shareholders	100.00
Signatories	225.00
Total Fee (of which £1,150 recurs annually)	1,825.00

There are also statutory fees payable to the Jersey authorities of £120 p.a. annual return and if the company is to be non-resident for Jersey income tax purposes £500 p.a. exempt company fee.

SXM 736202111129807

**LEX-01 137027**

**EXHIBIT S**

## DentonWildeSapte...

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Clifford's Inn  
London EC4A 3BU  
United Kingdom

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F +44 (0)20 7320 7320  
E +44 (0)20 7320 7320  
DX 242  
info@dentonwildeapte.com  
www.dentonwildeapte.com

The Chief Clerk  
Admiralty and Commercial Registry  
High Court of Justice  
Queen's Bench Division  
Commercial Court  
Royal Courts of Justice  
Strand  
London  
WC2A 2LL

17 September 2004

Our ref JXB/ATM/52966.00110  
Direct tel +44 (0)20 7320 6165  
Direct fax +44 (0)20 7320 6598  
Email judith.banks@dentonwildeapte.com

Dear Sir

**Lexington Insurance Company -v- (1) Tarlo Lyons and (2) Stanley Munson - Claim No 204 Folio 201**

We represent the Claimant in the above proceedings. The Claim Form was issued on 11 March 2004, and served on the Defendants on 2 July 2004. With the Claimant's agreement to an extension, the Defendants have not yet acknowledged service of the Claim Form.

The parties in these proceedings are engaged in separate proceedings before the United States District Court for the Eastern District of Pennsylvania, where the Claimant has recently added the Defendants to a civil action (Civil Action No 02-CV-4435) which is based on the same facts as those of this action. The Defendants have filed with the Pennsylvania Court a motion to challenge its jurisdiction.

To avoid incurring unnecessary costs pending the outcome of the motion, the parties have agreed that, subject to the agreement of the Court, the above proceedings should be stayed on the basis that the Defendants have a general extension of time for their acknowledgments of service to be filed and served

terminable on 7 days notice by any party.

We should be grateful if the Court would confirm its agreement to this course of action.

This letter has been signed to confirm the position as above by ourselves as solicitors for the Claimant and by Beachcroft Wansbroughs and Browne Jacobson as solicitors for each of the Defendants respectively.

Yours faithfully

*Denton Wilde Sapte*  
.....

**Denton Wilde Sapte**  
**On behalf of Lexington Insurance Company**

.....

**Beachcroft Wansbroughs**  
**On behalf of Tario Lyons**

.....

**Browne Jacobson LLP**  
**On behalf of Stanley Munson**

17. SEP. 2004 12:35

BEACHCROFT WANSBROUGHS SOLICITOR

terminable on 7 days notice by any party.

We should be grateful if the Court would confirm its agreement to this course of action.

This letter has been signed to confirm the position as above by ourselves as solicitors for the Claimant and by Beachcroft Wansbroughs and Browne Jacobson as solicitors for each of the Defendants respectively.

Yours faithfully

.....  
Denton Wilde Sapte  
On behalf of Lexington Insurance Company

*Beachcroft Wansbroughs*

Beachcroft Wansbroughs  
On behalf of Tarlo Lyons

.....  
Browne Jacobson LLP  
On behalf of Stanley Munson

terminable on 7 days notice by any party.

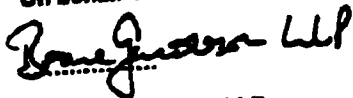
We should be grateful if the Court would confirm its agreement to this course of action.

This letter has been signed to confirm the position as above by ourselves as solicitors for the Claimant and by Beachcroft Wansbroughs and Browne Jacobson as solicitors for each of the Defendants respectively.

Yours faithfully

.....  
Denton Wilde Septe  
On behalf of Loxington Insurance Company

.....  
Beachcroft Wansbroughs  
On behalf of Taria Lyons



Browne Jacobson LLP  
On behalf of Stanley Munson



THE COURT SERVICE  
SUPREME COURT GROUP  
ADMIRALTY & COMMERCIAL  
COURTS

Room EB 15  
Royal Courts of Justice  
Strand  
London WC2A 2LL

DX 44450 - Strand

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Fax: 020 7947 7672  
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From The Case Management Unit

Our Ref: 2004 Folio 201  
Your Ref :

23 September, 2004

Mr Justice Langley

Dear Judge,

LEXINGTON INSURANCE COMPANY -v- TARLO LYONS

I enclose for your consideration a letter from Denton Wilde Sapte dated 17 Sept 2004. The solicitors would like a general extension.

Do you agree to the extension?

Yours

  
Stephen Gibbon

*Stay or  
have of extension  
represented in letter  
of 17/09*

*Yes*

*Al 23/09*